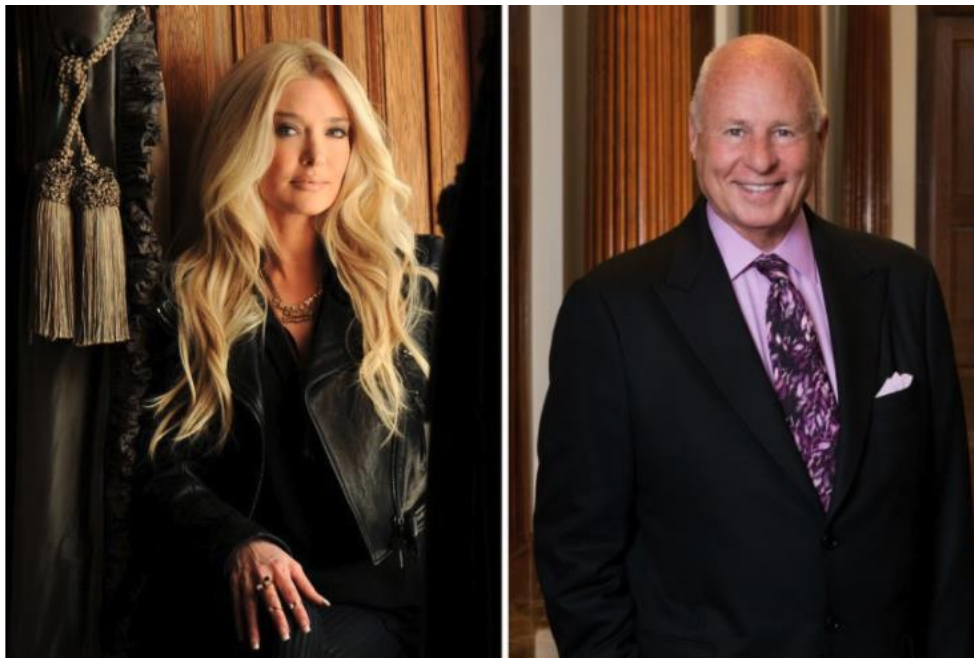


Embattled Tom Girardi Hit With \$2 Million Judgment.

A Chicago federal judge has referred allegations of "ethical violations" to the U.S. Attorney, which has asked to examine documents in the case.

By Amanda Bronstad | December 16, 2020 at 03:39 PM

Welcome to **Critical Mass**, **Law.com**'s weekly briefing for class action and mass tort attorneys. Prominent plaintiffs' attorney **Tom Girardi**, whose wife and lifestyle appear on reality TV show "**The Real Housewives of Beverly Hills**," faces a **\$2 million judgment** over missing client funds in settlements with **Boeing**.



Erika Girardi in 2016, and, at right, an undated photo of Tom Girardi. (Wally Skalij / Los Angeles Times; Amy Cantrell)

Tom Girardi Faces \$2M Judgment Over 'Serious Ethical Violation'

Prominent plaintiffs' attorney Tom Girardi's **problems just got worse** – a whole lot worse.

On Monday, a federal judge in Chicago froze his assets and that of his Los Angeles law firm, Girardi Keese, after lawyers failed to explain at a telephonic hearing why four clients were short \$2 million in settlement funds. U.S. District Judge Tom Durkin, who is overseeing lawsuits brought against Boeing over the crash of its Max 8 aircraft in 2018 in Indonesia, imposed a \$2 million judgment against Girardi and his firm, which retained Michael Monico (Monico & Spevack).

Durkin issued his order after reviewing a sealed document that Girardi Keese filed on Dec. 11 in response to a motion by local counsel Jay Edelson (Edelson) to hold Girardi in contempt of court orders for failing to pay clients. If Girardi, in fact, did not pay his clients, that was a “serious ethical violation, probably illegal,” said Durkin, who also said he planned to refer the matter to the U.S. Attorney’s Office, which already has asked for the sealed document.

Girardi was at Monday’s hearing, but only his attorney, Evan Jenness (Law Offices of Evan A. Jenness), spoke. And she had some eye-popping statements: That Girardi Keese was down to \$15,000 in its operating account and couldn’t make its payroll, much less come up \$2 million, and that she wanted a mental evaluation of her client. “I’m simply not able to communicate with him efficiently,” she told the judge.

All this raises the question almost everyone wants to know: How does this impact **Erika Jayne**, who stars on “The Real Housewives of Beverly Hills”? She filed for divorce from Tom Girardi last month.

Los Angeles celebrity divorce lawyer [Christopher C. Melcher](#) (of [acclaimed family law firm](#) Walzer Melcher), who is following the case, told me Jayne also could be a financial target for Girardi's creditors:

"If it turns out he's paying her massive spousal support ([alimony](#)), that would be contrary to the representations made in court that he's broke. He can't have it both ways. That's going to be really problematic for her getting any support against him when he says he's broke to the court and, if she's winding up with a lot of assets in her name that she claims is [separate property](#), she'll have to establish that she earned that and there's a [premarital agreement](#) that classifies her earnings as separate. Otherwise, creditors will have the right to go after her assets and clear her out."